

Michigan Brewers Guild, Inc., (517-327-5004



3225 W. St. Joseph Hwy, Lansing, MI 48917

April 25, 2006

**House Committee on Regulatory Reform
The Honorable Tory Rocca, Chairman**

The Michigan Brewers Guild is in support of passing House Bill 4641. The Michigan Brewers Guild exists to promote Michigan breweries, the sale of Michigan-made beer and to ensure a healthy industry for our state.

Michigan ranks sixth in the nation in terms of the number of breweries per state. Our festivals serve as our primary promotional vehicles, showcasing the range of beers Michigan brews to more than 7,500 people annually. Our festivals raise awareness about our Michigan-made products, drive regional pride and enhance the Michigan tourism experience. In 2004, our summer beer festival was described as one of the top-ten beer festivals in the United States by USA Today.

Currently, only two of the three brewing licenses, breweries and microbreweries, are allowed to sell their beer to the retail trade through a licensed wholesaler. Brewpubs are restricted to sell only from their licensed premises. This restriction also prevents them from selling to Special Licenses. This restriction is an impediment to the market-potential of these brewpubs, to the quality of our festivals, and to Michigan's growing reputation as a diverse brewing community.

We urge you to pass HB 4641, and allow brewpubs to sell their beer to licensed events that promote our industry, our craft and our state. We believe this to be paramount in our collective effort to champion our growing trade, one which provides jobs in multiple tiers, drives tourism and contributes to the charm and character of our state's culture.

Sincerely,

Fred Bueltmann, President
Brett VanderKamp, Chair – Governmental Affairs Committee
Kelly Johnston – Director of Government Relations

Encl: MI Beer Fact Sheet



**MI BEER FACT SHEET: Economic Impact of Brewing in Michigan****Economic Impact**

	Jobs	Wages	Economic Contribution
Brewing	819	\$42,174,597	\$318,686,179
Wholesaling	3,042	\$171,840,164	\$408,873,310
Retail	29,480	\$430,000,870	\$1,042,671,960
Total	33,341	\$644,015,632	\$1,770,231,448

Supplier Impact

	Jobs	Wages	Economic Contribution
Agriculture	603	\$6,276,310	\$37,118,098
Business and Personal Services	3,383	\$133,425,078	\$229,451,050
Construction	353	\$16,257,843	\$26,188,847
Finance Insurance and Real Estate	842	\$29,159,596	\$124,551,722
Manufacturing General	1,450	\$69,286,632	\$324,296,970
Retail	370	\$5,934,355	\$14,698,671
Transportation and Communication	521	\$27,776,569	\$86,198,170
Travel and Entertainment	411	\$11,681,893	\$30,362,882
Wholesale	616	\$34,355,357	\$81,770,758
Other	283	\$18,402,086	\$79,232,729
Total	8,832	\$352,555,720	\$1,033,979,897

Induced Impact

	Jobs	Wages	Economic Contribution
Agriculture	427	\$5,559,074	\$26,934,696
Business and Personal Services	5,772	\$154,975,321	\$282,882,376
Construction	316	\$14,327	\$26,193,449
Finance Insurance and Real Estate	1,607	\$63,690,737	\$343,582,974
Manufacturing General	997	\$65,852,365	\$278,096,268
Retail	4,273	\$78,630,208	\$173,276,777
Transportation and Communication	476	\$24,827,063	\$79,766,476
Travel and Entertainment	829	\$17,906,913	\$42,700,598
Wholesale	416	\$23,093,291	\$54,970,696
Other	493	\$63,870,168	\$1,471,093,990
Total	15,606	\$512,732,331	\$1,471,093,990

	Jobs	Wages	Economic Contribution
TOTAL IMPACT	57,779	\$1,509,303,682	\$4,275,305,335

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Taxes Generated: Business and Personal

Federal	\$328,778,857
State and Local	\$230,215,570
Total Business and Personal Taxes	\$558,994,427

Taxes Paid: Consumption Taxes

Federal	\$123,836,430
State and Local	\$170,877,657
Excise	\$43,342,751
Sales and Other	\$127,534,907
Total Consumption Taxes	\$294,714,087

Establishments

Brewing (includes importers, brewpubs, company-owned packaging and wholesaling)	89
Wholesaling	74
Retail (including home distributors)	17,599

*Source: John Dunham and Associates, 2005
beerservesamerica.org*

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